



Blue Dog Blueprint for Fiscal Reform: Discretionary Spending Caps

A formula for reducing the deficit and investing in the future

Over the past ten years, discretionary spending has skyrocketed from \$610 billion in 2000 to over \$1.2 trillion in 2009, an alarming trend that threatens to cripple our nation's economy and saddle future generations of Americans with mountains of debt.

Originally enacted under bipartisan agreements in the 1990's, discretionary spending caps have a proven track record of controlling spending and reducing the deficit. It is no accident, then, that an explosion in discretionary spending occurred when Congress allowed these caps to expire in 2002. As a result, we currently face a projected deficit of over \$1 trillion, and there is no clear end in sight.

There is an urgent need to reinstate tough, enforceable discretionary spending caps to cut and restrain the growth in federal spending.

It is time to tighten the federal purse strings. Just like American families who make tough decisions every day, Congress must learn to live within its means.

The Blue Dog proposal to cap federal discretionary spending would:

- Cut non-security discretionary spending by 2% for each of the next 3 years, and freeze spending levels for the subsequent 2 years.
- Complement the recently restored statutory PAYGO law which will help prevent increases in mandatory spending.
- Force Congress to prioritize our limited resources and make the tough year-to-year decisions necessary to restore balance to the federal budget.
- **Save the American taxpayers over \$400 billion.**

Restoring fiscal discipline to the federal government is not going to be easy, and success will require members on both sides of the aisle to rise above partisan politics and put forth their best ideas. The Blue Dogs, who have a history of working with members of both parties to advance commonsense policies, have put forth this proposal as part of their blueprint for fiscal reform, a comprehensive plan to reduce the deficit, balance the budget and lay the groundwork for sound fiscal policies over the long term.